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3d Member of Family Arrested as Soviet Spy In one case last year, the indictment Documents From the Nimitz

BALTIMORE, May 29 - The case of a father and son accused of spying for the Soviet Union was broadened today by the arrest of the older man's brother, a retired Navy lieutenant commander, the Federal Bureau of Investigation said.

The retired commander, Arthur Walker, of Virginia Beach, Va., was charged with espionage. His brother and nephew, who were also in the Navy, are being held without bail on the same charge. Officials have described the case as one of the most grievous breaches of security in the Navy's history.

According to Government sources, Arthur Walker was an employee of the VSE Corporation, an engineering and technical services concern that derives three-quarters of its income from Government contracts.

Meanwhile, Federal prosecutors charged in court today that Mr. Walker's nephew, Michael L. Walker, who was a yeoman third class on the aircraft carrier Nimitz, became a spy after his father agreed to pay him for stealing secret documents. His father, John A. Walker Jr., a retired Navy communications officer, is Arthur Walker's brother.

Prosecutors said that at least 20 pounds of material was smuggled off the Nimitz before Yeoman Walker was arrested last week.

After hearing several new details about the purported espionage operation, a Federal magistrate, citing "substantial" evidence of the sailor's guilt, ordered him held without bail. The decision came after a detention hearing before the magistrate. Daniel E Klein, in Federal District Court here

In urging Magistrate Klein to keep Mr. Walker in custody, an assistant United States attorney described the defendant's attitude in a single sentence as, "I'm willing to sell out my country.'

The prosecutor, Michael Schatzow, said Mr. Walker and his father first discussed the spying plot in 1983, when the yeoman was assigned to the Oceana Naval Air Station in Virginia Beach, Va.

"He mentioned at one point to his father that he had seen a piece of confidential material," Mr. Schatzow said. "His father told him he could make some money if he would take classified material and deliver it."

said, Yeoman Walker received \$1,000 from his father in exchange for a packet of secret documents stolen from Oceana. Mr. Schatzow said that the yeoman passed along documents to his father on at least 10 occasions since April 1983.

The Walkers were indicted earlier this week on the espionage charges, which carry a maximum sentence of life in prison. A Soviet diplomat was named as a co-conspirator but he was not indicted.

Tapes Found on Carrier

Yeoman Walker listened silently today, his head slightly bowed, as his lawyer told Magistrate Klein that the sailor should be freed on bail.

"There is no suggestion that he could find a happy home in the arms of the Soviets," said the lawyer, Charles Bernstein. He later told reporters, "I don't think the Soviets even know who he is.'

But prosecutors said there was reason to believe that Mr. Walker would flee because of the severity of the charges. "Why would you stay around for a substantial incarceration?" Mr. Schatzow asked.

He said that tapes had been found on the Nimitz "indicating" that the yeoman planned to give his father more secret documents when the Nimitz docked this summer in Italy. The documents were then to be handed over to a Soviet "contact" in Europe, Mr. Schatzow said.

The elder Mr. Walker's voice, he said, could be heard on at least one of the tapes describing the Italian rendezvous. Law-enforcement officials have said they believe that the elder Mr. Walker had been a spy for as long as 18 years. Official have said he spied for money.

His son continued stealing secret documents after he joined the Nimitz in January 1984, prosecutors said. In September of last year, Mr. Schatzow said, Mr. Walker was transferred to the operations department on the Nimitz, which oversees administration of the

"There he handled message traffic." the lawyer said. "He had access to documents classified as secret." Between October and his arrest last week, Mr. Walker stole copies of many papers and delivered them to his father, Mr. Schatzow said.

The elder Mr. Walker was arrested after leaving nearly 130 documents at a secluded spot in Maryland, according to law-enforcement officials, who said a Soviet diplomat was in the area. They said that many of the documents detailed Soviet fleet movements in the Mediterranean.

"All of the national defense-related documents were from the Nimitz," Mr. Schatzow said.

After the hearing, Mr. Bernstein, the defense lawyer, told reporters that Yeoman Walker would plead not guilty at his arraignment next Tuesday. He tried to paint his client as guileless young man who lacked the sophistication of a spy.

Mr. Walker, his black hair closely cropped, was dressed in a white shirt and gray pants. He said little at the hearing and nothing that could be overheard.

As he left the chamber, he acknowledged his wife of 18 months, Rachel. who stood a few feet away behind a courtroom partition. Mr. Bernstein said the two met afterward.

Asked the couple's mood, he said, They're two young people, they're in love, and they face a great tragedy."